

**AR60**

Winspear Business Reference Room  
University of Alberta  
1-18 Business Building  
Edmonton, Alberta T6G 2P6



# URBCO INC.

1993 ANNUAL REPORT



## **URBCO INC. PROFILE**

*Urbco Inc. is engaged in the acquisition, development, brokerage and management of real estate properties. The geographical focus is Western and Northern Canada. The company intends to expand its current income producing portfolio; acquire and develop properties for resale; and, enter into opportunities and joint ventures whereby the Company contributes its expertise.*

### **Annual General Meeting**

The Annual General Meeting to be held in the

Lake Louise Room, Westin Hotel,  
320 - 4th Avenue S.W., Calgary, Alberta

Thursday, December 2, 1993 - 3:00 p.m.  
(Calgary Time)

### **Head Office**

212, 6131 - 6th Street S.E.  
Calgary, Alberta T2H 1L9  
Phone: (403) 531 - 0720  
Fax: (403) 531 - 0727



## Report to Shareholders

In my message to shareholders last year, I characterized our Company's 1992 fiscal year as a base building year -- as a year that we laid the foundations for growth. Those property acquisitions and development projects provided the momentum for record revenue and earnings in 1993. Revenues increased from \$1,136,431 in 1992 to \$3,517,806 at July 31, 1993. This represents a 210% increase over the previous year. Pre-tax income grew from \$135,440 in 1992 to \$574,897 in 1993 for an annual increase of 324%.

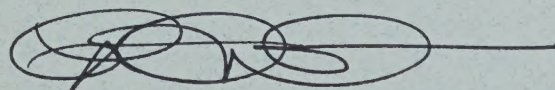
In a year when the economic recovery has been sporadic, our management team has successfully identified geographic regions and real estate sub-markets that continue to outperform the market. For example, our 90 rental housing units in Yellowknife, NWT, enjoyed 98% occupancy throughout 1993. Rents for our two bedroom two bath apartment unit average \$1,210 per month. This is approximately 60% more than comparable units could achieve in Calgary or Edmonton. Yellowknife has traditionally been shielded from recessionary periods because of the three levels of government that are headquartered there, the presence of the service and mining sectors, and that Yellowknife is the gateway to the north. Now, the diamond exploration spin-offs are increasing the pressure on housing stock in Yellowknife; to the benefit of Urbco Inc.'s rental properties.

Our land development holdings acquired in 1992 were transformed into profit and cash flow this year. The Company's subdivision in Okotoks, Alberta is strategically targeted to the entry level and first time move-up home buyers. Our land holdings in Okotoks represent about a 7 - 8 year supply of lots as we expect to sell between 30 to 50 lots in any given year. Our subdivision located in Canyon Meadows Estates, Calgary, is targeted to the upper-end estate home buyer.

Part of our Company's success is attributed to acquiring real estate assets for treasury stock of Urbco Inc. This strategy of building a company by issuing shares for property has been successfully used by junior oil & gas companies for many years. Since our inception the Company has completed seven separate "asset for share" acquisitions with a historical cost base of \$12,100,000. Urbco Inc. issued approximately \$5,100,000 worth of common shares as partial payment for these assets. This strategy helps the Company grow without overleveraging our future. This year's record operating results are testament that the real estate acquired under this program is "good performing real estate". The Company will continue to pursue this strategy of adding to our asset base while maintaining a conservative debt to equity ratio.

Fundamental to our success this year and the Company's future are its people. Our four executive officers have over 130 years of cumulative experience in real estate markets throughout North America. Our dedicated employees possess the experience and enthusiasm to sustain the momentum we created this year. I would like to thank our shareholders for their support over the year.

On behalf of the board of directors,



C. Donald Wilson  
President and Chief Executive Officer



## Management Discussion and Analysis

### Comparison of 1993 and 1992 Financial Results

Urbco Inc. has recorded impressive growth in all performance categories and has increased the Company's profitability every year since the Company was established in 1988.

	The Year Ended July 31		%
	1993	1992	Increase
Revenue	\$3,517,806	\$1,136,431	210%
Pre-tax income	\$ 574,897	\$ 135,440	324%
Net After Tax Earnings	\$ 216,647	\$ 61,978	249%
Net After Tax Earnings/Share	\$ 0.05	\$ 0.015	233%
Weighted average number of common shares outstanding	4,669,306	4,137,106	13%

In 1993 the Company attained its goal of balancing revenue between land development and rental properties. Lot sales from land development activities represented 43% of gross revenue in 1993 and revenue from rental properties represented 48% of the Company's gross revenue. In 1992 revenue from lot sales represented only 6% of gross revenue.

### Review of Real Estate Operations

At July 31, 1993, our rental properties consisted of the following:

Type of Property	Location	Occupancy Level
40 Unit Townhouse Project	Yellowknife, NWT	99%
45 Unit Apartment Project	Yellowknife, NWT	98%
11 Single Family Detached Houses	Yellowknife, NWT	95%
58,300 ft <sup>2</sup> retail building	Yellowknife, NWT	100%
33,000 ft <sup>2</sup> office building	Calgary, AB	92%

Our residential real estate in Yellowknife, NWT has and continues to be sheltered from many of the recessionary effects experienced in other real estate markets. A continual maintenance upgrade program of these assets coupled with their location relative to the downtown core has enabled these properties to outperform the rental market. Our 58,000 ft<sup>2</sup> retail property is a stand alone complex leased to F.W. Woolworth Inc. (Woolco). There are 18 years remaining on the lease and the mortgage is fixed for 18 years. This property was acquired on July 31,

1993. The Company has a 33,000 ft<sup>2</sup> suburban type office building in Calgary. This property has an occupancy level exceeding the Calgary marketplace and earns net effective rental rates that are in excess of many of the current downtown Calgary lease rates. Our rental property portfolio has a historical book cost of \$13,162,722 and \$9,593,432 in long term fixed rate mortgages secured against those assets.

The Company's land development activities consist of the following properties:

Land Holdings	Location	Lot Potential	Years Supply of Land	Lots Sold in 1993
Residential Land Development:				
68 Acres	Okotoks, AB	400+	7 - 8 years	30
3 Acres	Calgary, AB	11	1 year	2

This financial year was our first full year of land development activity. In August 1992, the Company completed the servicing of 47 lots in our Sheep River Ridge subdivision located in Okotoks. Sales have been very successful as 64% of those Phase 1 lots are sold. The Company is completing the servicing of Phase 2A & 2B at Sheep River Ridge. This will provide the Company with an inventory of 64 lower priced entry level lots. Our 3 acre estate lot subdivision in Canyon Meadows, Calgary was completed July 1993. Two lots were sold in July and the balance are under option.

The Company has expensed all general and administrative costs, relating to land development activities.

### Capital Structure and Liquidity

Despite the difficult environment in which to raise equity capital for real estate the Company has been able to increase shareholders' equity between 10 - 20% per annum over the past three years. This has been accomplished primarily by the issuance of share capital for the equity in various property acquisitions. Shareholders' equity grew to \$6,248,556 at July 31, 1993 compared to \$5,573,909 in 1992.



Urbco Inc. currently has a policy of keeping our debt to equity ratio under 2:1. For the year ended July 31, 1993 the ratio was 1.57:1. Our capital structure has a strong equity component and we intend to enhance this aspect of our company during the coming year. The components of Urbco Inc.'s capital structure are stated herein:

Short term debt	1%
Long term mortgages	59%
Deferred Taxes	2%
Shareholders' Equity	38%

With respect to our revenue producing properties, our company has arranged or assumed long term fixed rate mortgages against those properties. With the exception of several mortgages lodged against our single family detached homes, the maturities of our long term debt are due beyond 1996. Cash flow for the year was \$365,700 and is well in excess of the current 1994 mortgage principal repayments of \$134,300.

With respect to our land development activities, Urbco Inc. has arranged operating lines in the amount of \$1,400,000 with an average interest rate of bank prime + 1.4%. At July 31, 1993 the amount outstanding was \$223,041.

#### General & Administrative

General & Administrative costs increased from \$224,703 in 1992 to \$304,988 for our 1993 financial year. This represents a 36% increase year to year but G & A as a percentage of revenue decreased from 20% of revenue in 1992 to 9% of revenue in 1993. Remuneration to the five employees on head office payroll was approximately 65% of the 1993 annual G & A expenses. This compares to 62% for 1992 for four employees on head office payroll.

#### Net Asset Value

The Company obtains third party appraisals on most major assets in order to establish a net asset value per share and track the Company's progress from year to year. Net asset value is determined by

adjusting shareholders' equity (historical cost) to reflect the unrealized gain from appreciation in the current market value of our assets. At July 31, 1992 we determined our pre-tax net asset value per share to be \$2.00 per share based upon 4,925,652 shares outstanding. At July 31, 1993 based upon the current number of shares outstanding of 5,300,338 our pre-tax net value per share is estimated to be:

	<u>Total</u>	<u>Per Share</u>
Shareholders' Equity	\$ 6,248,556	\$ 1.18
Unrealized Gain on Properties	<u>\$ 5,201,542</u>	<u>\$ 0.98</u>
Net Asset Value	<u>\$11,450,098</u>	<u>\$ 2.16</u>

#### Outlook for 1994

Management is optimistic for the coming year. Our balance sheet is strong and the company is not overleveraged. We expect the performance of our rental properties to improve during 1994 as they are well selected niche properties and able to withstand minor fluctuations in the economy. Lot sales generated from our land development operations may be slower than 1993 due to increased competition and a weakening in consumer confidence. However, as servicing costs for newer phases are lower than previous phases, our profit per lot should be higher. Management will continue to optimize the returns from our current asset base and will actively pursue new opportunities and acquisitions to enhance our Company's growth.



## AUDITORS' REPORT

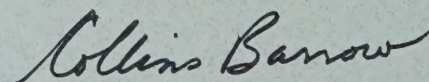
To the Shareholders  
Urbco Inc.

We have audited the consolidated balance sheet of Urbco Inc. as at July 31, 1993 and the consolidated statements of income and retained earnings and cash flow for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at July 31, 1993 and the results of its operations and cash flow for the year then ended in accordance with generally accepted accounting principles.

COLLINS BARROW



CHARTERED ACCOUNTANTS

Calgary, Alberta  
September 1, 1993



**URBCO INC.**  
(Incorporated Under the Laws of Alberta)  
**CONSOLIDATED BALANCE SHEET**  
**JULY 31, 1993**

**ASSETS**

	<u>1993</u>	<u>1992</u>
Cash and term deposits	\$ 563,545	\$ 452,086
Accounts receivable	745,264	168,843
Prepaid expenses	104,434	85,958
Land held for development and sale	3,950,482	1,701,918
Deferred charge (note 2)	54,054	94,595
Investments (note 3)	536,955	534,703
Properties (note 4)	<u>13,162,722</u>	<u>7,947,832</u>
	<b>\$ <u>19,117,456</u></b>	<b>\$ <u>10,985,935</u></b>

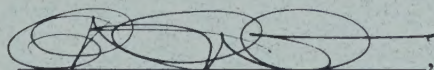
**LIABILITIES**

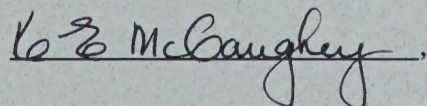
Accounts payable and accrued liabilities	\$ 335,671	\$ 250,381
Income taxes payable	124,825	-
Agreement payable (note 5)	2,800	7,600
Land development service costs	2,261,763	-
Bank indebtedness (note 6)	223,041	-
Mortgages (note 7)	9,593,432	5,066,281
Deferred income taxes	<u>327,368</u>	<u>87,764</u>
	<u>12,868,900</u>	<u>5,412,026</u>

**SHAREHOLDERS' EQUITY**

Share capital (note 8)	5,906,108	5,451,592
Contributed surplus [note 8(c)]	12,899	9,415
Retained earnings	<u>329,549</u>	<u>112,902</u>
	<u>6,248,556</u>	<u>5,573,909</u>
	<b>\$ <u>19,117,456</u></b>	<b>\$ <u>10,985,935</u></b>

Approved on behalf of the Board,

 , Director

 , Director



**URBCO INC.**  
**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS**  
**YEAR ENDED JULY 31, 1993**

	<u>1993</u>	<u>1992</u>
<b>Revenue</b>		
Lot sales	\$ 1,500,441	\$ 62,564
Rental properties	1,673,254	926,232
Gain on disposal of properties	209,718	40,635
Interest and other	95,181	71,388
Share of income from limited partnership	<u>39,212</u>	<u>35,612</u>
	<u>3,517,806</u>	<u>1,136,431</u>
<b>Expenses</b>		
Cost of lot sales	1,138,850	57,982
General and administrative - land development	175,664	-
Rental properties operating	658,749	391,423
Interest on mortgages	500,153	223,377
General and administrative - corporate overhead	304,988	224,703
Professional fees	45,338	29,897
Depreciation and amortization	<u>119,167</u>	<u>73,609</u>
	<u>2,942,909</u>	<u>1,000,991</u>
Income before income taxes	574,897	135,440
Income taxes (note 10)	<u>358,250</u>	<u>73,462</u>
<b>Net income</b>	216,647	61,978
Retained earnings, beginning of year	<u>112,902</u>	<u>50,924</u>
<b>Retained earnings, end of year</b>	<u>\$ 329,549</u>	<u>\$ 112,902</u>



**URBCO INC.**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**YEAR ENDED JULY 31, 1993**

	<u>1993</u>	<u>1992</u>
<b>Operating activities</b>		
Net income	\$ 216,647	\$ 61,978
Add (deduct) items not affecting cash		
Gain on disposal of properties	(209,718)	(40,635)
Depreciation and amortization	119,167	73,609
Deferred income taxes	<u>239,604</u>	<u>73,827</u>
	365,700	168,779
Increase in accounts receivable	(576,421)	(28,874)
Increase in prepaid expenses	(18,476)	(76,853)
Increase in land held for development and sale	(3,008,564)	(685,951)
Increase in accounts payable and accrued liabilities	100,464	131,131
Increase in income taxes payable	124,825	-
Increase in land development service costs	<u>2,261,763</u>	<u>-</u>
	<u>(750,709)</u>	<u>( 491,768)</u>
<b>Financing activities</b>		
Repayment of agreements payable	(4,800)	(64,800)
Increase in bank operating line	163,041	-
Proceeds from bank loan	655,616	-
Repayment of bank loan	(595,616)	-
Proceeds from mortgages	5,081,968	4,687,509
Repayments of mortgages	(554,817)	(131,235)
Proceeds on issuance of share capital	1,218,000	445,000
Payment of share repurchase costs	<u>-</u>	<u>(1,037)</u>
	<u>5,963,392</u>	<u>4,935,437</u>
<b>Investing activities</b>		
Decrease (increase) in investments	(2,252)	2,223
Acquisition of properties	(5,952,074)	(4,511,580)
Proceeds on disposal of properties	868,276	156,474
Increase (decrease) in accounts payable and accrued liabilities relating to investing activities	<u>(15,174)</u>	<u>37,174</u>
	<u>(5,101,224)</u>	<u>(4,315,709)</u>
<b>Cash inflow</b>	111,459	127,960
Cash and term deposits, beginning of year	<u>452,086</u>	<u>324,126</u>
Cash and term deposits, end of year	\$ <u>563,545</u>	\$ <u>452,086</u>



**URBCO INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JULY 31, 1993**

**1. Significant accounting policies**

*a) Principles of consolidation*

The consolidated financial statements include the accounts of the company and its wholly-owned subsidiaries.

*b) Land held for development and sale*

Land held for development and sale is valued at the lower of cost and net realizable value.

*c) Investments*

The company accounts for its investment in the limited partnership using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter to reflect the company's proportionate share of earnings.

Other investments are valued at the lower of cost and net realizable value.

*d) Depreciation*

Depreciation of rental buildings is determined on the sinking fund method over the buildings' estimated remaining useful lives ranging from 38 to 69 years. The sinking fund method provides a depreciation charge consisting of a fixed annual sum together with interest thereon compounded at a rate of 5% per annum, which is sufficient to fully depreciate the buildings over their anticipated useful lives.

Depreciation of office furniture and fixtures is determined on the declining balance method at a rate of 20% per annum.

*e) Income recognition*

Lot sales are recorded on closing or when a minimum of 15% of the sales price has been received and the sale is unconditional.

*f) Capitalization of costs*

The company capitalizes all direct costs relating to land held for development and sale. In addition, indirect costs such as financing and property taxes considered applicable are capitalized. Indirect costs capitalized during the year were \$24,691 (1992 - \$10,761), including \$3,973 (1992 - nil) in interest.

*g) Income taxes*

On August 1, 1988, the company acquired certain property from its shareholders using the provision of subsection 85(1) of the Income Tax Act. As a result, certain income producing rental properties having a net book value of \$1,866,050 (1992 - \$2,303,947) for accounting purposes have a nil cost for income tax purposes.

The equity in Vista Village Limited Partnership exceeds its cost for income tax purposes by \$298,343 (1992 - \$300,067).

No provision has been made in these financial statements for the additional income taxes which would be generated on the future sale of these properties.

**2. Deferred charge**

Deferred charge consists of an amount paid on July 31, 1991 to cancel a lease that originally was to expire in November 1994. The property was leased to the Government of the Northwest Territories at an amount which was substantially below market value.

The amount is amortized on a straight-line basis over the remaining term of the cancelled lease.



## 3. Investments

	<u>1993</u>	<u>1992</u>
Equity in limited partnership	\$ 336,955	\$ 334,703
Investment in 11% participating debenture	<u>200,000</u>	<u>200,000</u>
	<u>\$ 536,955</u>	<u>\$ 534,703</u>

The investment in limited partnership consists of seven of thirty units in the Vista Village Limited Partnership.

## 4. Properties

			<u>Net Book Value</u>	
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>1993</u>	<u>1992</u>
Rental properties				
Land	\$ 1,810,342	\$ -	\$ 1,810,342	\$1,183,925
Buildings and fixtures	<u>11,775,050</u>	<u>437,981</u>	<u>11,337,069</u>	<u>6,753,314</u>
	13,585,392	437,981	13,147,411	7,937,239
Office furniture and fixtures	<u>28,182</u>	<u>12,871</u>	<u>15,311</u>	<u>10,593</u>
	<u>\$13,613,574</u>	<u>\$ 450,852</u>	<u>\$ 13,162,722</u>	<u>\$ 7,947,832</u>

## 5. Agreement payable

Pursuant to an agreement of purchase and sale, the company repurchased Class A shares [note 8(c)] for \$24,000, payable in monthly instalments of \$400. The agreement is non-interest bearing, secured by the Class A shares repurchased, and anticipated to be paid in full within the next fiscal year.

## 6. Bank indebtedness

	<u>1993</u>	<u>1992</u>
Bank operating line	\$ 163,041	\$ -
Bank loan	<u>60,000</u>	<u>-</u>
	<u>\$ 223,041</u>	<u>\$ -</u>

Bank operating line bears interest at a Canadian chartered bank's prime lending rate plus 1.5% per annum and is secured by a first fixed charge in the amount of \$1,500,000 over land held for development and sale.

Bank loan consists of a capital financing term loan bearing interest at a Canadian chartered bank's prime lending rate plus 1.25% per annum, principal repayments due periodically from sale of lots with final payment due October 31, 1993. The loan is secured by a first fixed charge in the amount of \$500,000 over land held for development and sale.

## 7. Mortgages

Mortgages bear interest at a weighted average interest rate of 11.29% per annum (1992 - 10.38%), are repayable in monthly instalments aggregating \$98,654 (1992 - \$47,107), and are due August 1, 1993 through December 1, 2011.

The mortgages are secured by rental properties.

Anticipated repayments on the mortgages over the next five years, assuming that they are renewed at existing rates, are as follows:

1994	\$ 134,300
1995	150,638
1996	170,106
1997	190,008
1998	212,266
Thereafter	<u>8,736,114</u>
	<u>\$ 9,593,432</u>



## 8. Share capital

## a) Authorized

Unlimited number of common voting shares

Unlimited number of non-voting, cumulative, preferred shares

## b) Issued

	1993		1992	
	Number of Shares	Stated Capital	Number of Shares	Stated Capital
<u>Common Shares</u>				
Stated capital, beginning of year	4,418,083.9	\$ 4,701,192	4,081,033	\$ 4,264,476
Issued during the year				
For land held for development and sale	524,138	760,000	276,000	345,000
For rental properties	360,000	450,000	69,334	100,000
For compensation of officers	6,400	8,000	-	-
Less:				
Shares cancelled [note 8(c)]	(8,283.1)	(8,284)	(8,283.1)	(8,284)
Total issued	5,300,338.8	5,910,908	4,418,083.9	4,701,192
Committed for issuance				
For land held for development and sale			524,138	760,000
Treasury shares				
[note 8(c)], at cost	( 8,286.3)	(4,800)	(16,569.4)	(9,600)
	<u>5,292,052.5</u>	<u>\$ 5,906,108</u>	<u>4,925,652.5</u>	<u>\$ 5,451,592</u>

c) During 1989, the company entered into an agreement to repurchase 41,419.5 Class A shares for \$24,000. The shares repurchased are reflected at reacquisition cost until such time as they are cancelled or reissued. During the year ended July 31, 1993, the company cancelled 8,283.1 of the repurchased shares having a stated value of \$8,284. The excess of stated value over cost of reacquisition of \$3,484 was credited to contributed surplus.

d) As at July 31, 1993, the following options to purchase shares were outstanding:

<u>Issued To</u>	<u>Number of Common Shares</u>	<u>Exercise Price Per Share</u>	<u>Expiry Date</u>
Shareholders at \$.10 per option	319,114	\$1.10	December 31, 1993
President	20,000	\$1.00	December 31, 1994
	20,000	\$1.10	December 31, 1995
Employees	10,000	\$1.00	December 31, 1993
	20,000	\$1.10	December 31, 1994
	16,000	\$1.25	December 31, 1994



- e) As at July 31, 1993, 907,250 common shares having a stated value of \$1,243,334 remain in escrow to be released as follows:

	<u>Number</u>	<u>Date</u>
i)	23,112	Sept. 26, 1993
ii)	72,000	July 30, 1994
	72,000	July 30, 1995
	72,000	July 30, 1996
	72,000	July 30, 1997
	72,000	July 30, 1998
iii)	Minimum 34,000 -	December 31, 1993 and December 31, 1994, and then, based on a performance formula, on a quarterly basis during the period December 31, 1993 to December 31, 1995, to a maximum of 174,713 per year
	Balance of shares not previously released -	December 31, 1995

#### 9. Management remuneration

During the year, the company paid \$196,000 (1992 - \$136,000) to its executive officers.

#### 10. Income taxes

Income tax expense differs from that expected when applying the rate of 44% (1992 - 42%) to income before taxes as follows:

	<u>1993</u>	<u>1992</u>
Expected income tax expense	\$ 252,955	\$ 56,883
Income tax applicable to depreciation on that portion of assets which have no basis for income tax	6,957	5,906
Rate reduction applicable to taxable capital gains	(26,498)	(4,796)
Income tax applicable to gain on disposal of assets which have no basis for income tax	127,248	23,980
Other	<u>(2,412)</u>	<u>(8,511)</u>
Actual income tax expense	\$ <u>358,250</u>	\$ <u>73,462</u>

#### 11. Earnings per share

Earnings per share for the year were \$0.05 (1992 - \$0.015). The weighted average number of shares outstanding during the year was 4,669,306 (1992 - 4,137,106).

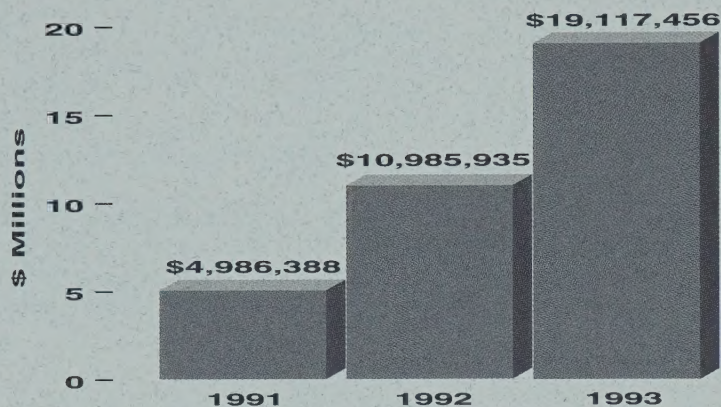
#### 12. Comparative figures

Certain comparative figures have been restated to confirm with current year's presentation.

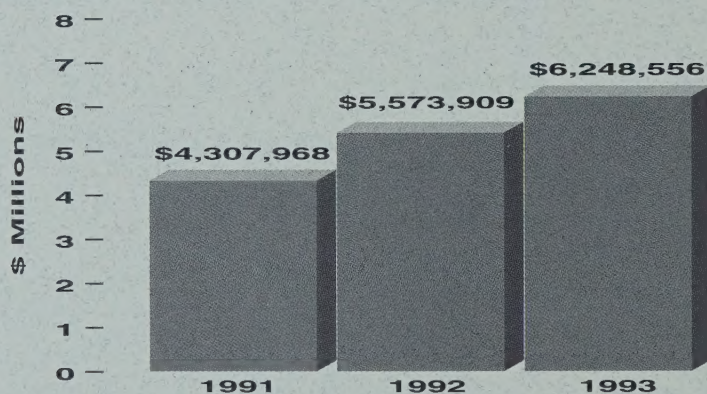


## 3 Year Historical Review

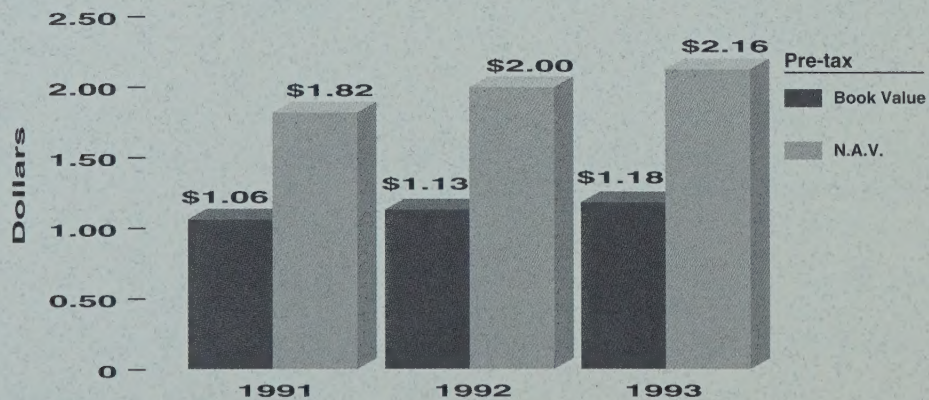
### Total Assets



### Shareholders Equity



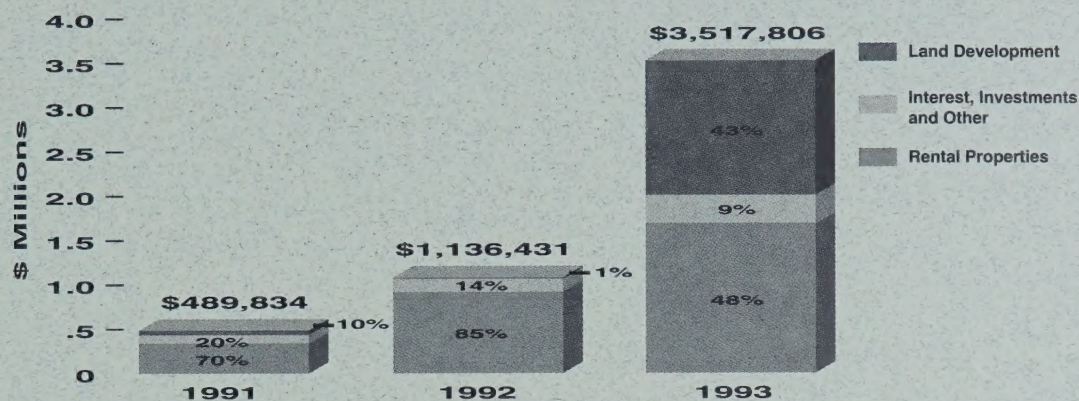
### Book Value Per Share Net Asset Value Per Share



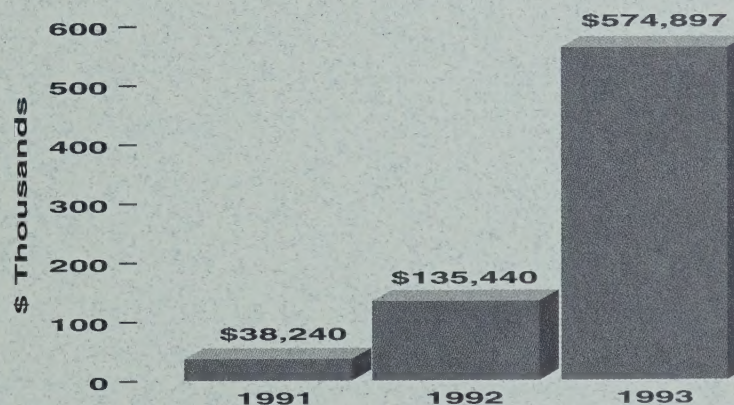


## 3 Year Historical Review

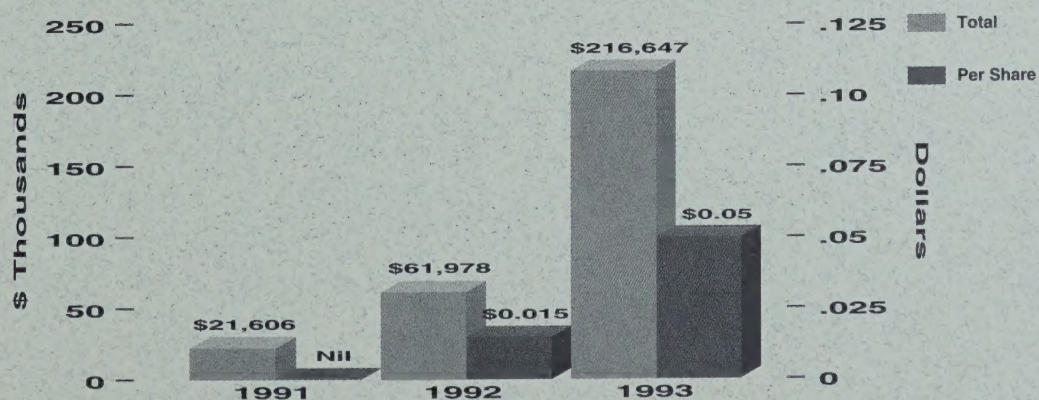
### Revenue Growth



### Pre-tax Income



### After Tax Earnings





## CORPORATE INFORMATION

### Corporate Profile

*Urbco Inc. is engaged in the acquisition, development, brokerage, management of real estate properties and real estate related opportunities.*

### Directors

<i>C. Donald Wilson</i>	<i>President, Chief Executive Officer and Director</i>
<i>Roy G. Wilson</i>	<i>Chairman of the Board and Director</i>
<i>Kathleen E. McCaughey</i>	<i>Secretary and Director</i>
<i>Robert V. Etcheverry*</i>	<i>Director      General Manager, Production and Engineering/CN Exploration Inc.</i>
<i>Douglas H. Mitchell, Q.C.*</i>	<i>Director      Partner, Howard Mackie, Barristers and Solicitors</i>
<i>William J. Miller</i>	<i>Director      President, Wagonmaster Distributors Inc.</i>
<i>Fred P. Studer*</i>	<i>Director      President, Studer Foods (Alberta) Ltd.</i>

*\* - Member, Audit Committee*

### Officers

<i>C. Donald Wilson</i>	<i>President &amp; Chief Executive Officer</i>
<i>Roy G. Wilson</i>	<i>Chairman of the Board</i>
<i>Gregory N. Herndier</i>	<i>Vice-President</i>
<i>Barry J. Poffenroth</i>	<i>Vice-President</i>
<i>Kathleen E. McCaughey</i>	<i>Secretary</i>

### Corporate Office

*#212, 6131 - 6th Street S.E.  
Calgary, Alberta T2H 1L9  
Telephone (403) 531-0720*

### Legal Counsel

*Howard Mackie, Barristers and Solicitors  
Calgary, Alberta*

### Registrar & Transfer Agent

*Montreal Trust  
Calgary, Alberta*

### Auditor

*Collins Barrow, Chartered Accountants  
Calgary, Alberta*

### Stock Exchange Listing

*The Alberta Stock Exchange*

### Trading Symbol

*UBC*

